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HEADLINE: America's video taste still 'a roll of the dice'

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Behind the frenetic escapism of the video game craze lies a multi-billion dollar industry where it's strictly Pac-Man eat Pac-Man.

Since the first coin was dropped in an electronic ping-pong game more than a decade ago, the unlikely alliance of the computer scientist and the arcade "carny" has been designing ways to separate you and your quarter.

The video industry is still too young to be able to accurately predict what you will spend your quarter on.

But it's growing up fast.

Nintendo of America Inc., located in Kirkland, is the stateside arm of a 90-year-old Japanese aircraft parts company that entered the video field just four years ago.

Nintendo specialized in "shoot-'em-up" arcade games such as Space Fever, High Splitter and Sheriff before capturing America's quarters with Donkey Kong.

That game, in which the player guides Mario the carpenter up laddered switchbacks, dodging barrels thrown by Donkey Kong in order to save the beautiful girl, now ranks second in earnings behind Pac-Man.

The company hopes its new Popeye game, due out in January, will surpass them both.

Nintendo production manager Don James says his stateside staff was surprised at the success of Donkey Kong.

"When we first saw the game, it didn't really look very good," he admits. "For one thing, it was supposed to be called 'Stupid Monkey,' but it came over wrong (from Japan) because of a translation error. 'Donkey' in their language

means 'stupid.'"

The error paid off. Donkey Kong was in production for eight months. Most video games exhaust their demand after three months.

James said his Kirkland production crew of 25 assembles about 250 arcade preassembled from overseas. Another 350 are shipped

A company such as Nintendo, which depends heavily on the sale of arcade machines, must know its "marks" and design its games not only to win their quarters, but to keep their interest.

Part of the formula for success is playing time. A game that is easy and affords a relatively long playing time may not be challenging enough to warrant another quarter. One that "eats" your quarter and is quickly over may also discourage a second try.

Pac-Man, which has a long playing time even on the first quarter, has a level of challenge and fulfillment that has made it the top earner in the industry. On the other hand, Defender and Stargate, two very challenging games, have developed cult followings that have given them longevity in American arcades.

"The taste of the average game player you just can't put in a formula," says James. "It's still a roll of the dice." -- Nintendo is trying to better its odds on success by studying the games in use. Jerry Momoda, a full-time video analyst for Nintendo, spends much of his time in Seattle-area arcades, talking to people about the game and plotting them on the basis of earnings, play time and player reactions.

"After 20 years in the industry, we'll be able to predict what will sell," he says.

(Not coincidentally, Momoda is an ace at video, with a personal point total on Donkey Kong Jr. well above the official world record for the game.)

Donkey Kong hit the profitable balance: it had a relatively short initial playing time (money for the arcade owner), but was sufficiently interesting to warrant repeat tries (longevity for the game and profits for Nintendo).

Donkey Kong, too, appeals to both sexes, a quality that first paid off for its chief competitor.

"Pac-Man was really the first one that appealed to both men and women," says James. "Before, they were mostly 'shoot-'em-ups,' and those appealed to the male ego. Donkey Kong and Pac-Man appeal to the intellect. Both men and women can enjoy that."

Nintendo hopes Popeye will cash in on those success factors they've been able to identify: playing time, interest, appeal to both sexes - and name recognition.

"You take Tron. After that movie, they had a built-in commercial for that game," says James. "And everybody knows Popeye. At least it gets people to look at it, maybe try it."

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With so much riding on "a roll of the dice," computer techniques and programs are kept under lock and key. James says he doesn't even know the name of the company's next game until it is ready for production.

"They're very secretive about that," he says. "Industrial espionage really is a big problem. Anyone coming out with a new game, someone who can get a set of schematics to it can put it out."

"Out of 75,000 Donkey Kongs that we sold, there were probably 30,000 that weren't ours. They were put together in some guy's garage and sold as 'Crazy Monkey,' a couple other names. There are companies that are making exact duplicates overseas. Those we are trying to fight at the customs station."

James says that, since Pong, "it's been a race in R&D (research and development) departments ever since."

What are they racing toward?

Within two years, color LCD (liquid crystal display) video screen will be on the market. "Resolution will be better and the size of the screens, 1 to 1-inches thick, will allow more games in a given space," says James.

But the jackpot will come with 3-D video, accomplished through holography.

"The first company with a hologram game is going to make a lot of money," he predicts.

James agrees that video games have been instrumental in introducing the public to computers.

